



ECONOMIC VITALITY CONVERSATION

SACRAMENTO, CA
JULY 28, 2004

HOSTED BY:



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

MEETING SUMMARY



A.G. Kawamura

Secretary, California Department of Food and Agriculture

A bold vision of our state's future – as well as our agricultural future – is vitally needed. In Japanese, the word for farmer is “hyaksho” which translates to “a person of 100 talents.” Visionaries and people of action 100 years ago put together a plan for the people of 100 talents. Their plan succeeded in getting us to where we are today – the most diverse agricultural state in the country. We need similar vision and citizens of action to guide California toward a 21st century renaissance.



Meeting Summary

The California Department of Food and Agriculture, in coordination with the California Center for Regional Leadership and members of Governor Schwarzenegger's Cabinet, convened an Economic Vitality Conversation with a diverse group of agricultural, environmental and conservation leaders from around the state. The purpose of the conversation was to generate ideas to stimulate California's short-term economic recovery, while improving long-term economic competitiveness and comparative advantage in agriculture. The following is a summary of comments from meeting participants. Views and opinions expressed in this document do not necessarily represent those of the California Department of Food and Agriculture or the Schwarzenegger administration.

How do we create resource management policies in support of the position that agricultural food, fiber, shelter and energy production are vital to the future of California?

Coordinate at Watershed Level

- ♦ Examine the interrelationship of all land uses and activities within a watershed. The watershed approach can be used to address technical assistance needs of multiple land managers and properly leverage the resources of stakeholders.
- ♦ Solve problems involving wildlife, water quality, urban growth, drought, fire, and loss of prime farmland using a watershed approach rather than addressing each problem in isolation.



- ♦ Focus on "multiple objectives management" of natural resources for both environmental and economic benefits by relying on public-private partnerships rather than government acquisition and management. Recognize that the most efficient natural resource managers are in the private sector.

Create Incentives for Water Conservation

- ◆ Promote water conservation on farms and in urban areas.
- ◆ Optimize water resources through improved irrigation technologies, water delivery, recycling, purification and storage systems.
- ◆ Create regional water plans that efficiently use water by coordinating the use of surface and ground water, commonly called conjunctive use, to improve water supply reliability.
- ◆ Research opportunities to use waters that do not meet drinking water standards and build recycling and desalination facilities to meet future water needs.



Manage Growth and Land Use

- ◆ Convene working groups across disciplines (agriculture, resources, environment and business) to develop regional strategic plans for growth management. Further, create local funding mechanisms to implement these strategic plans.
- ◆ Promote infill, higher density construction and more efficient use of urban-edge land to protect farms and ranches from California's unprecedented growth.
- ◆ Support agricultural/conservation easements to prevent development and provide long-term protection for the most productive farmland, especially that which has ample and cost-effective water supply.
- ◆ Create land-use plans to provide certainty in expectations for both farmers and the development community.
- ◆ Ensure continued carrying capacity for wildlife habitat on farms by keeping key tracts in less intensive agriculture. Today, with increasing regulations, costs and urban encroachment, farms are moving toward more intensive agricultural production techniques. This is diminishing the carrying capacity of the land for wildlife and migratory birds.



Support Resource Conservation Districts

- ◆ Match federal dollars with state funds for support of local resource conservation districts. These local units of government play an important role in addressing resource concerns and coordinating the efforts of various agencies and working-land managers.
- ◆ Support resource conservation research efforts.
- ◆ Connect research to the farm with strong technical assistance programs.



Invest in Alternative Energy Sources

- ◆ Promote alternative energy sources and flexible use of existing energy, such as allowing farmers and dairymen to transfer or resell excess power.
- ◆ Promote use of methane gas created by dairy waste systems and distribute through the power grid.
- ◆ Support development of a renewable fuel standard that encourages private investment to develop a California ethanol industry. Today, Midwest producers are benefiting from a \$1.5 billion ethanol market in the state. California can and should be producing this ethanol.
- ◆ Look at underutilized agricultural byproducts not as waste but as products that we have not yet put to use: energy, chemicals, construction materials and paper are all potential products.
- ◆ Staff agencies with people who understand renewable energy policy.

What is the optimal role of government in regulating the production of food, fiber, shelter and renewable energy?

Active Interagency Cooperation

- ◆ Continue and expand upon the governor's goal to work together to solve common problems. We must create partnerships among government, nonprofit, academic and private enterprise to develop an integrated policy toward our natural resources: water, air, land and biological resources.
- ◆ Recognize that agriculture and food production, environmental stewardship, energy production, trade and national security are mutually beneficial areas of activity. They need to merge together into a logical, handholding relationship that takes full advantage of each other's resources for the good of the whole.
- ◆ Create and disseminate best practices to the industry for on-farm management of inputs (pesticides, fertilizer, water, energy, etc.) as well as for agricultural byproducts.
- ◆ Ensure a balance between regulatory and voluntary programs as the best method to protect our resource base and ensure continued production of safe and nutritious food.
- ◆ Encourage state and local agencies to provide more education, technical assistance and financial incentives for voluntary compliance with goals and regulations.

Conduct Regulatory Reform

- ◆ Use only the best science in the development of regulations and policies.
- ◆ Tie new regulations with appropriate technical assistance and funding mechanisms for implementation to ensure compliance.
- ◆ Evaluate new regulations imposed at state and local levels for costs to producers and create measures or tax incentives to mitigate those initial financial impacts.
- ◆ Simplify regulatory process and streamline regulatory requirements.
- ◆ Eliminate duplicative or conflicting requirements, such as in environmental regulation for air and water.
- ◆ Staff agencies with people who are willing to understand the industries they regulate.

Invest in Infrastructure

- ◆ Prioritize substantial infrastructure development or enhancement for pest and disease prevention and eradication programs, plant and animal laboratory research, water management and irrigation technologies, energy management and production of alternative energy sources, and labor management.
- ◆ Invest in preventive measures to reduce damage caused by natural disasters, such as controlling forest fuel buildup, increasing flood storage, and increasing water conservation so that irrigated agriculture can endure drought years.
- ◆ Upgrade school cafeterias with refrigeration for storage of fresh fruits and vegetables, in particular for school salad bars and farm-to-school programs.

How do we protect and preserve California's safe and nutritious production of food and fiber?

Preserve Food Production and Forestry through Sound Planning

- ◆ Invite agriculture, food processors and forestry to “sit at the table” and discuss long-term planning for entire regions and watersheds.
- ◆ Create a more efficient regulatory system that rewards those in agriculture and forestry who have proven their ability to abide by California's strict laws and regulations. This will provide stability and certainty for both commercial production and environmental protection.
- ◆ Recognize that food processing is vitally important to the state and long-term viability of California agriculture.





Market California Products

- ◆ Ensure long-term viability of California's domestic and international marketing and promotional activities by expanding on success of the California Grown campaign. The "California" brand has great value and differentiates our commodities in the world marketplace. If one is buying a California product, then they are buying something that is safe and has been produced under rigorous quality and environmental standards.
- ◆ Capitalize on the governor's tremendous communications skills to continue to take the Buy California message around the nation and the world.



Invest in Agricultural and Resource Education

- ◆ Invest in resource education (agricultural, environmental and forestry) at K-12 and in higher education. Without an informed population there is a real barrier to addressing the economic and market issues facing our resource base throughout the state.
- ◆ Invest in vocational education relating to resource management.
- ◆ Encourage communities and schools to promote nutrition and fitness education for improved quality of life and workforce productivity. At the same time, healthy food choices and improved nutrition will decrease demand for medical services related to obesity or malnutrition.



Work with California Congressional Delegation

- ◆ Maintain and enhance California's presence in Washington, D.C. through the administration's California office. Federal policy, legislation and program funding is shaped on Capitol Hill, making it critical to work with policy and decision-makers early in the budget and legislative process.
- ◆ Engage in the farm bill process to capitalize on our opportunities in nutrition, trade, pest eradication, infrastructure incentives, tax credits, conservation programs and marketing.

Economic Vitality Conversation Participants

Wednesday, July 28, 2004

Wayne Bidlack: Cal Poly Pomona, College of Agriculture
Nick Bollman: California Center for Regional Leadership
Victoria Bradshaw: Labor and Workforce Development Agency
Mike Campbell: University of California Merced
Gary Conover: California School Food Service Association
Charles Crabb: California State University Chico
Mary Cramer: State Board of Food and Agriculture
Richard Cramer: Star Milling Company
Tom Curler: California Field Partnership
John Diener: Red Rock Ranch, Inc.
Allen Dusault: Sustainable Conservation
Bob Feenstra: Milk Producers
Helen Flach: USDA/California Natural Resources Conservation Service
Rod Hickman: Youth and Adult Correctional Agency
John Hisserich: University of Southern California
Ronald Jacobsma: Friant Water Users Authority
Carson Kalin: Imperial Bioresources LLC
A.G. Kawamura: Department of Food and Agriculture
Neil Koehler: Pacific Ethanol
Tom Koehler: Pacific Ethanol
Mark Linder: CommunityMinded
Bill Lyons Jr.: Mapes Ranch
Jake Mackenzie: Local Government Commission
Todd Manley: Northern California Water Association
Mike Marsh: Western United Dairymen
Chris Marxen: California Environmental Protection Agency
Kristine Mazzei: Tri-Valley Business Council, Valley Vision
Patrick McCarty: McCarty Group
Sunne Wright McPeak: Business, Transportation and Housing Agency
Marvin Meyers: Meyers/Oxford Farms
William Moncovich: State Board of Food and Agriculture
Dave Parker: Fruit Patch Sales
Karen Scarborough: Resources Agency
John Smythe: Farm Service Agency
Dan Sumner: University of California Davis
Karen Sweet: Alameda County Resource Conversation District
Darrel Sweet: California Cattlemen's Association
Dan Tomascheski: Sierra Pacific Industries
Carol Tomlinson-Keasey: University of California Merced
Hank Wyman: California Association of Resource Conservation Districts
Olen Zirkle: Ducks Unlimited
Tom Zuckerman: Central Delta Water Agency

